NOTICE OF PREPARATION OF A

DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT FOR

REVISION OF THE EVERGREEN DEVELOPMENT POLICY

SAN JOSE, CALIFORNIA

CITY OF SAN JOSE FILE NO: PP08-121

As the Lead Agency, the City of San Jose will prepare a Supplemental Environmental Impact Report (SEIR) for the above-referenced project and would like your views regarding the scope and content of the environmental information to be addressed in the SEIR. This SEIR may be used by your agency when considering approvals for this project.

The project description, location, and probable environmental effects are attached.

According to State law, the deadline for your response is 30 days after receipt of this notice; however, we would appreciate an earlier response, if possible. Please identify a contact person and send your response to:

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Planning Services Division
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San Jose, California 95113-1905
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Joseph Horwedel
Director of Planning, Building, & Code Enforcement

Deputy

Date: 7/22/08

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REVISION OF THE EVERGREEN DEVELOPMENT POLICY SAN JOSE, CA

July 2008

A. INTRODUCTION

The purpose of an Environmental Impact Report (EIR) is to inform decision makers and the general public of the environmental effects of a proposed project. The EIR process is intended to enable public agencies to evaluate a proposed project, establish methods for reducing adverse environmental impacts, and consider alternatives to a project prior to the approval of a project.

A Supplemental Environmental Impact Report (SEIR) is prepared when an EIR has previously been certified and changes are proposed to a project that will result in 1) new significant effects, and/or 2) a substantial increase in the severity of previously identified significant effects. In this case, the EIR being supplemented is the Evergreen • East Hills Vision Strategy Project EIR, which was certified by the San Jose Planning Commission on November 10, 2006. Section D, below, provides background on the Evergreen • East Hills Vision Strategy Project.

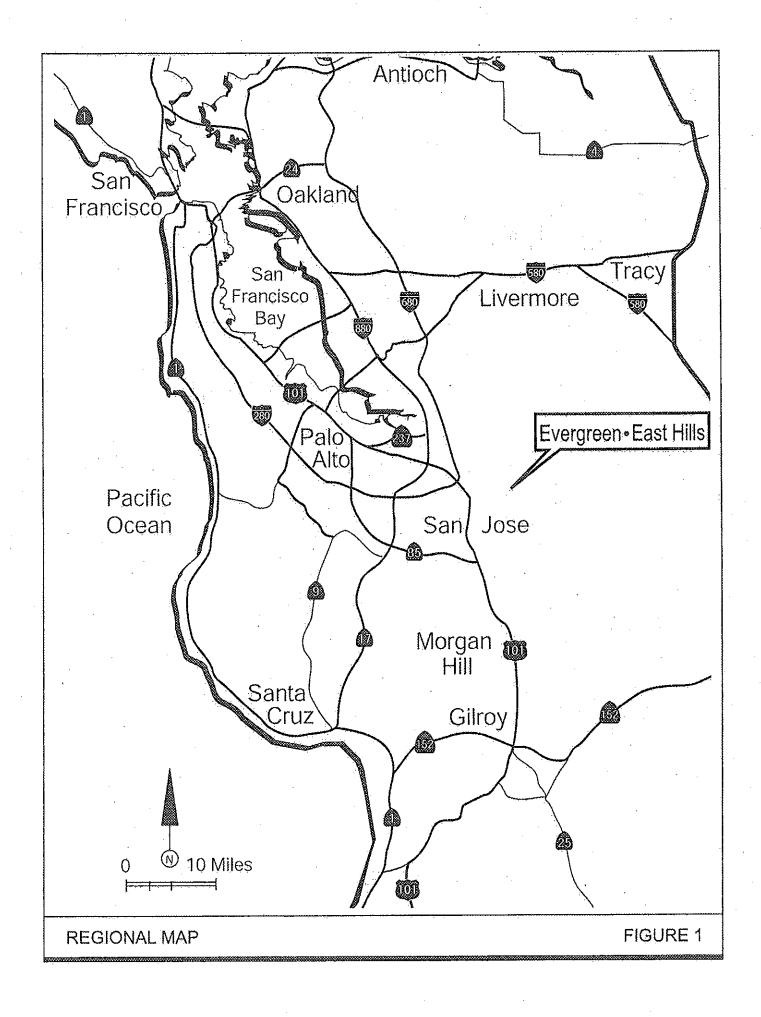
B. PROJECT LOCATION

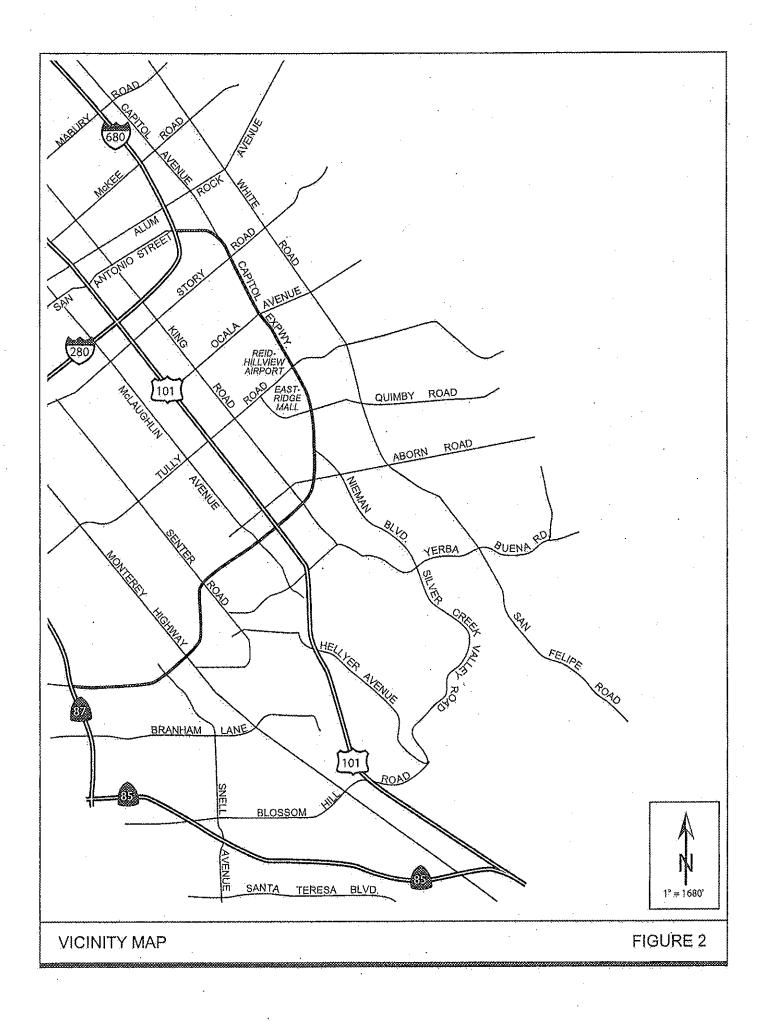
The proposed project is located within the City of San Jose in an area historically known as Evergreen. Per the existing Evergreen Development Policy, this area generally refers to the portion of the City of San Jose that lies east of U.S. 101 and south of Story Road, excluding properties south of the intersection of U.S. 101 and Hellyer Avenue. Properties within San Jose, but outside of the Urban Service Area boundary, are excluded. See Figures 1, 2 and 3 on the following pages.

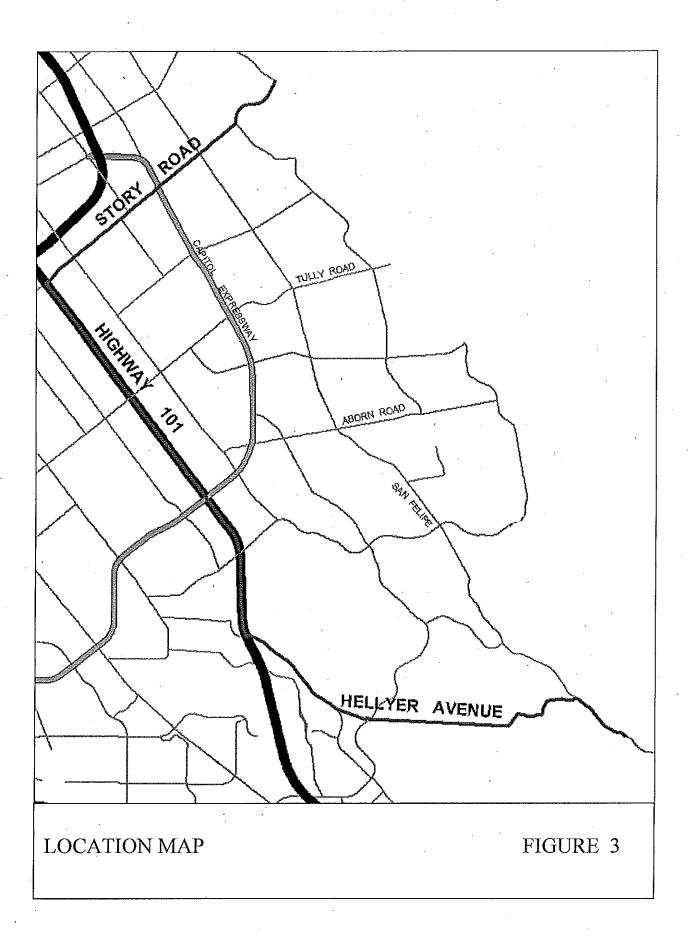
C. DESCRIPTION OF PROJECT

The existing Evergreen Development Policy (the "Policy") sets forth transportation and flood control criteria that must be satisfied prior to development occurring within the Evergreen area of the City of San Jose. The project proposes a revision to the Policy to provide for traffic allocation for the future development of the following uses:

¹The certification of the EIR by the San Jose Planning Commission was appealed to the San Jose City Council. On December 12, 2006, the City Council upheld the Planning Commission's certification of the EIR.







- 500 detached residential dwelling units
- 500,000 square feet of commercial retail space
- 75,000 square feet of office space

The locations of this development within the Evergreen area have not been determined. However, for analytical purposes the above-mentioned development capacities have been distributed as shown in Table 1. The distribution is based on a review of infill parcels throughout the Evergreen area that are undeveloped, underutilized, or potential candidates for redevelopment.

The revised Policy would limit the number of dwelling units to a maximum of 35 on any one site unless the development incorporates affordable housing, historic preservation, or mixed-use components.

For purposes of the update, the revised Policy is proposed to be called the Evergreen • East Hills Development Policy.

D. BACKGROUND AND PURPOSE OF THE PROJECT

In 1976, the San Jose City Council adopted the original Policy in response to analyses that concluded that transportation and flood protection deficiencies presented substantial constraints to development in Evergreen. The Policy identified specific programs and policies for correcting these deficiencies. Subsequent to 1976, the Policy has undergone several revisions whereby specific levels of development were authorized based on the capacity provided by a corresponding package of transportation improvements.

The Policy was last revised in 1995. The 1995 Policy, which is still in effect, and a subsequent 1998 ordinance², specified that all future projects in the Evergreen area would be required to prepare a traffic analysis and that traffic impacts requiring mitigation would be defined as follows:

- 1. An increase in traffic that causes a LOS designation to change; or
- 2. Residential Projects: The addition of any traffic in an intersection operating at LOS "E" or "F".

Non-Residential Projects: The addition of more than a one-half percent (1/2%) increase in critical traffic movement in an intersection operating at LOS "E" or "F".

In 2003, the City determined to undertake a more comprehensive look at the Evergreen • East Hills area, so as to develop a community-based vision regarding future development and the future character of the area. This led to the creation of the Evergreen Visioning Project Task Force. In 2005, the City Council

²Ordinance 25658, adopted on August 18, 1998.

TABLE 1

ANALYTICAL ASSUMPTIONS FOR DEVELOPMENT THAT WOULD RECEIVE TRAFFIC ALLOCATION UNDER THE PROPOSED REVISION TO THE POLICY

Residential	
Area bounded by Capitol Expressway, Story Road, & U.S. 101	100 dwelling units
Area bounded by Capitol Expressway, Story Road, Tully Road, & East Foothills	64 dwelling units
Area bounded by Capitol Expressway, Tully Road, Aborn Road, & East Foothills	25 dwelling units
Area bounded by Capitol Expressway, U.S. 101, Aborn Road, Yerba Buena Road & East Foothills	236 dwelling units
Area bounded by U.S. 101, Yerba Buena Road, Hellyer Avenue, & East Foothills	75 dwelling units
Total	500 dwelling units
Commercial Retail	
Arcadia Property (81-acre site located just south of the Eastridge Shopping Mall, on the west side of Capitol Expressway)	344,000 square feet
Evergreen Valley College Property (27-acre site located near the northeast quadrant of the intersection of Yerba Buena Road & San Felipe Road	100,000 square feet
Vicinity of Quimby Road at White Road	35,000 square feet
Along Story Road	21,000 square feet
Total:	500,000 square feet
Office	
Arcadia Property (81-acre site located just south of the Eastridge Shopping Mall, on the west side of Capitol Expressway)	25,000 square feet
Vicinity of Quimby Road at White Road	25,000 square feet
Along Story Road	25,000 square feet
Total:	75,000 square feet

expanded the task force and the process was renamed the Evergreen • East Hills Vision Strategy (EEHVS). The EEHVS process, which included the preparation of an EIR, analyzed six development scenarios for the Evergreen • East Hills area, as well as a package of transportation and community improvement projects. Among the major items considered were the following:

- General Plan Amendments and Rezonings to allow for the construction of up to 5,700 singleand multi-family dwelling units.
- General Plan Amendments and Rezonings to allow for the construction of up to 500,000 square feet of commercial uses and up to 75,000 square feet of office uses.
- General Plan Amendments and Rezonings to allow for residential land uses to be constructed on lands currently approved for 4.6 million square feet of campus industrial uses.
- Approval of traffic allocation for a "pool" of up to 700 residential dwelling units that could be constructed at various undetermined locations throughout Evergreen East Hills.
- Approval of a "pool" of 500 peak-hour traffic trips that could be used for miscellaneous non-residential development that could be constructed at various undetermined locations throughout Evergreen East Hills.
- Creation of a community facilities district and/or other financing mechanisms to fund a comprehensive program of highway improvement projects and community amenity improvement projects.
- Comprehensive revisions to the Policy to set forth the requirements for the phasing and implementation of future development and corresponding traffic and community amenity improvement projects.

The EEHVS process included numerous task force meetings and workshops, as well as community meetings, San Jose Planning Commission meetings, and San Jose City Council meetings during the 2005-07 time period.

At its meetings on June 26, 2007and October 16, 2007, the City Council took the following actions related to the Evergreen East Hills Development Policy Update (the relevant City Council synopses can be found at: http://www.sanjoseca.gov/clerk/Agenda/101607/101607s.pdf):

• Staff shall include parameters in the Policy Update which call out when additional development beyond 500 residential units, 500,000 square feet of commercial, and 75,000 square feet of office can be considered. Such parameters include, when 11,600 jobs on the lands designated for campus industrial uses have begun to be achieved, through a 2:1 jobs/housing ratio, according to staff's proposed schedule, and there is a voluntary and legally binding agreement offering the completion of significant transportation improvements and amenities for that phase. A maximum of 3,900 residential dwelling units could be "phased in relation to job creation," consistent with Scenario VI of the EEHVS EIR.

E. ENVIRONMENTAL IMPACTS TO BE ANALYZED IN THE SEIR

The City is preparing a Supplement to the EEHVS EIR for the purpose of analyzing and disclosing the environmental impacts of the proposed revision to the Policy to provide traffic allocation for 1) the pool of 500 detached residential dwelling units, 2) the 500,000 square feet of commercial retail space, and 3) the 75,000 square feet of office space.

Since the proposed revision to the Policy will be limited to the subject of traffic capacity, the analysis of impacts in the SEIR will be limited to traffic, as well as traffic-related noise and air quality. In terms of CEQA, this means that the SEIR will only provide CEQA clearance for traffic. Subsequent analysis under CEQA will be required for all non-traffic topics at such time as the City receives a specific development proposal. The City may, however, determine that no further CEQA analysis is necessary *if*:

- The proposed development complies with the revised Policy, and
- The proposed development is located on one of the five "opportunity" sites³ addressed in the EEHVS EIR, and
- The proposed uses have environmental effects that are determined by the City to be consistent with those already disclosed in the EEHVS EIR.

Traffic

The SEIR will include a comprehensive traffic analysis that will conform to the Transportation Impact Assessment (TIA) requirements of the City of San Jose and the Santa Clara County Congestion Management Agency (CMA). The analysis will quantify A.M. and P.M. peak-hour traffic operations at intersections and on freeways in the project area. Mitigation measures will be described for impacts that are determined to be significant.

The traffic impact criteria that are contained in the existing Policy, which are listed above, are different from the Citywide standard criteria used by the City and the CMA in a TIA. Therefore, the traffic analysis in the SEIR will disclose the impacts of the project using the criteria of the existing Policy and the Citywide Standard Criteria. Mitigation measures will be described for impacts that are determined to be significant.

In this manner, the reader will be able to compare the traffic effects of the project under both the existing Policy criteria and the standard TIA criteria.

³The five "opportunity sites" addressed in the EEHVS EIR are as follows: 1) the 81-acre Arcadia Property, 2) the 114-acre Pleasant Hills Golf Course Property, 3) the 200-acre Berg/IDS Property, 4) the 120-acre Legacy Partners Property, and 5) the 27-acre Evergreen Valley College Property.

Traffic-Related Air Quality

The certified EEHVS EIR concluded that the air quality impacts of the various EEHVS development scenarios would be significant. The SEIR will evaluate the level of development associated with the proposed revision to the Policy to determine if air quality impacts would still be significant.

Traffic-Related Noise

The certified EEHVS EIR concluded that the various EEHVS development scenarios would generate traffic in sufficient volume to the point where the increases in noise along a number of roadway segments would be significant. The SEIR will evaluate the level of development associated with the proposed revision to the Policy to determine if increases in traffic-related noise would still be significant.

Alternatives .

As described above, the thresholds of significance for traffic impacts under the existing Policy are very stringent. The intent of the thresholds was to preclude additional development in the Evergreen • East Hills area unless such development included substantial roadway improvements as mitigation. In practical terms, virtually any level of development will result in a significant traffic impact under the existing Policy.

The purpose of evaluating alternatives in an EIR is to assess whether there are other ways to achieve the project objective(s), while at the same time avoiding the identified significant impacts of the project. In this case, however, since virtually any development in the Evergreen • East Hills area would result in significant traffic impacts, there is no practical build alternative that would meet this criterion. Therefore, other than the No Project Alternative, the SEIR will not evaluate any alternatives to the proposed revision to the Policy.

Other Required Sections

The SEIR will also include other information typically required for an EIR. These other sections include the following: 1) Growth Inducing Impacts; 2) Significant, Unavoidable Impacts; 3) Significant Irreversible Environmental Changes; 4) References; and 5) EIR Authors.